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Abstract

Women entrepreneurship, as an object of scientific inquiries, has elicited suitable recognition among researchers during the early 1980s. However, female business owners have attracted far less attention from the academic community than their male counterparts despite their reported increasing contribution towards the economic growth of both developed and emerging nations. This article attempts to bridge this gap in knowledge by providing readers with an overview of influential international research papers that investigate some of the key issues presented in the literature about women small business management and entrepreneurship.

The studies discussed herein examine the motivation of women to establish firms; a variety of definitions of favorable performance applied in studies; the most important determinants of success in business, and the barriers encountered by businesswomen in the process of setting up as well as running their respective companies. In the final section, the author provides some future directions of research in areas touched upon in this paper that could be explored by scholars. Finally, the paper highlights key policy recommendations for decision-makers that are aimed at encouraging women to enter into entrepreneurship and fostering the growth of existing female-owned firms.

Keywords: barriers, motivation, small business owners, success factors, women entrepreneurship

Introduction

We are living in a very dynamic world environment. Since the early 1970s, the global economy has undergone overwhelming and irreversible changes. Various political, so-

cial and economic transformations taking place during the 21st century contributed towards the emergence of a more volatile business climate, in which small companies have to compete in order to survive. These developments and challenges have also created new opportunities for aspiring female entrepreneurs to establish their own firms. Recently more women than ever before have chosen small business ownership as a career path. Since most females have to balance professional work with family responsibilities, the prospect of establishing their own company has become an attractive alternative to full-time paid employment. Therefore, we are witnessing a significant increase in the number of firms set up by women business owners all over the world. These enterprises make a substantial contribution to the growth of advanced market economies, developing nations and the world economy as a whole.

Women entrepreneurship as a research phenomenon was recognized by the business and academic community during the 1980s. Many respected scientific publications encouraged researchers to investigate various aspects of female business ownership. Moreover, the advances in this field of study have been supported by global institutions such as the United Nations or the Organization for Economic Cooperation and Development (OECD), which generated reports and detailed statistics covering entrepreneurship broken down by gender. Since that time, most studies on various aspects pertaining to women small business management have been carried out and published mainly within developed economies [Valencia, 2007, p. 14].

However, at present more research on female self-employment is being conducted in developing countries and reported in reputable academic journals, which proffers university scholars with a much broader perspective on this phenomenon to direct future investigations. These endeavors have been supported by international organizations (e.g. UN, OECD, etc.) by persuading their member countries to support gender-specific studies on entrepreneurship [Valencia, 2007, p. 14]. Despite an increasing number of establishments owned by women small business entrepreneurs and their positive impact on national economies, they have attracted far less attention from the academic community in comparison with the businesses owned by their male counterparts [McGrath Cohoon et al., 2010, p. 3].

This article covers a selection of some of the most influential research papers on women business owners and entrepreneurs by investigating key issues discussed in extant literature with regard to this phenomenon. Firstly, it defines the notion of motivation in the business context and provides readers with an overview of key factors that drive females into self-employment. Secondly, it discusses how researchers operationalize and analyze business success outcomes in their studies and proceeds with the identification of the most important variables that attempt to explain the divergent performance of female-owned enterprises. Thirdly, the paper presents the main obstacles encountered by women business owners in the process of establishing and managing their firms. Fourthly, it indicates future directions of research with respect to the dimen-

sions discussed that could be explored by other scholars with interest in gender studies. Finally, it also provides key recommendations, advocated by the academic community and aimed at policy-makers, to support the creation of new female-run companies as well as to foster the development of existing businesses.

Motivations of women to establish own businesses

The notion of motivation has been defined as “the process that initiates, guides and maintains goal-oriented behaviors.” Therefore, this term can be understood as that which influences human beings to take specific action, whether it is making a decision to get a new job or buying a textbook to obtain more knowledge. Motivation requires the activation of biological, emotional, social and cognitive abilities within us to exert some effort in order to cause a distinct behavior [Cherry, 2012]. In plain everyday language, this expression is often employed to depict why a person acts in a specific way.

The studies carried out during the 1970s, 1980s and early 1990s indicated that females established their own firms in order to gain autonomy and independence, escape the “glass ceiling” effect of the organizational environment, and to achieve greater flexibility in order to balance work with family responsibilities [Lisowska, 1995, pp. 52–57; Buttner and Moore, 1997, pp. 35–43]. The research conducted during the second half of 1990s concluded that women entrepreneurs were motivated to “make a difference” by striving for social goals like: “providing good client service”, “making a contribution to the community”, aspiring to become a “good corporate citizen” and focusing on service quality [Still, 2005, pp. 55–57]. These specific objectives were pursued by females in addition to traditional economic business aims [Cliff, 1998, pp. 525–528].

An investigation undertaken by the Center for Women’s Business Research in the late 1990s determined that women’s decisions to enter into entrepreneurship were influenced by a number of age-related factors. Specifically, the investigation showed that females over 40 years of age became self-employed to escape the “glass ceiling” effect of the corporate world, while women under 40 want to run their business in order to create personal wealth and to have an influence on their business strategy [Still, 2005, pp. 55–57]. Many women experience the work environment in large corporations as more hostile in contrast with their male counterparts when it comes to being promoted, especially into senior managerial positions. Within this context, Orhan [2005, p. 14] explains the “glass ceiling” concept as “the seemingly impenetrable barrier that prevents female mid-managers from moving up to the executive suite.”

In developed countries, the bulk of research into women motivations to become self-employed has concentrated on four distinct aspects. The first one is associated with the “push” and “pull” motivational factors classification, which was derived by the scholars from extant studies on the entrepreneurship phenomenon. The second facet involves

the investigation of the similarities or differences between the motivations of males and females in becoming business owners. The third direction of research examines the existence of any relationships between declared motivations and business performance. The last aspect focuses on the impact of family and social environment on women's decision-making processes to enter into entrepreneurship [Orhan, 2005, pp. 4–8].

In the “pull” and “push” motivational factors' classification, we can identify four key drivers that influence women to enter into small business ownership. The first one is associated with the “desire for independence” (e.g. gaining more autonomy, obtaining greater control, etc.), which is regarded as a “pull” type motivator both for men and women. The second driver relates to the “monetary conditions” of the prospective entrepreneur, which is also usually viewed as a “pull” factor. However, many females who historically earn lower wages in many countries than males are often “pushed” into entrepreneurship because of their inferior economic situation. The third type is associated with an adverse work environment (e.g. unemployment, redundancy, lack of career perspectives or job prospects). It is regarded by the scholars as a “push” motivator and men, as well as women differ little with regard to this driver. Finally, the last motivator type relates to family-related variables that were found to be significant in influencing the decision of individuals to become entrepreneurs. Some examples of factors within this group are: “desire for work-family balance”, “family obligations” or “fit with domestic commitments.” These variables are more prevalent among females than males [Kariv, 2013, pp. 103–107].

The “push” category variables, as highlighted earlier, drive females to establish own business out of necessity and are associated primarily with job dissatisfaction, difficulty in finding employment, or low family income. Duchéneaut [1987] extends this grouping with a “desire for a flexible schedule”, which enables women to balance their business activity with family life [Orhan, 2005, pp. 4–5]. Thus, in the case of “push” factors, females are motivated to start up their own firms because of the dissatisfaction with their current positions.

On the other hand, the pull factors are those that draw women into self-employment because they envision a “potential in the business concept” and the “prospective future value” that it may bring them. These anticipated benefits are associated with such variables as: “independence”, “self-fulfillment”, “entrepreneurial drive”, and “desire for wealth, social status and power” [Orhan, 2005, pp. 4–5]. In turn, Solymossy [1997, pp. 204–217] adds to this list the goal of realizing a social mission, such as providing employment in a community. Thus, in the case of “pull” factors, women are motivated to establish their own business because they rely on their own capabilities and resources. Moreover, they are willing to take advantage of arising opportunities in order to achieve set business objectives, or pursue some personal goals. Thus, women driven by “pull” motivational factors want to change their current situation even though they may already have a well-paid professional job or lead a comfortable lifestyle.

The investigation into the similarities and differences between the motivations of male and female small business owners has not been, thus far, conclusively resolved [Orhan, 2005, pp. 5–6]. For instance, Fischer et al. [1993, pp. 151–168] were not able to provide sufficient empirical evidence that significant differences between the genders exist in their drive to establish their own companies with regard to primary motivational factors such as the desire to gain independence or self-achievement. On the other hand, research indicates that scholars have managed to identify meaningful differences between males and females when it comes to secondary motivational variables like achieving a higher position in society or gaining more status and prestige, which are valued more by men than women entrepreneurs [Orhan and Scott, 2001, pp. 232–241].

Researchers Buttner and Moore [1997, pp. 37–43], as well as Lisowska [2004, pp. 54–56] found out in their studies that push factors may have a greater influence on women entrepreneurs than on their male counterparts in establishing own companies. This is because self-employment enables female small business owners to obtain more flexibility in balancing their work and family responsibilities. Moreover, for women, the establishment of their own company can be a way to overcome the “glass ceiling” effect, discussed previously, which often deprives them of promotional opportunities into senior managerial positions within large organizations [Stokes et al., 1995, pp. 533–549]. Females in contrast to males also reported economic necessity as an important push factor that drove them to self-employment [Hisrich et al, 1997, pp. 238–239].

Most studies in developed countries that examined the existence of any relationships between declared motivations by entrepreneurs (i.e. within the “push” or “pull” categories) and their impact on the business performance have failed to provide convincing empirical evidence of any direct links. Only a few investigations found satisfactory proof that such associations existed [Orhan, 2005, pp. 6–7]. For example, Amit and Muller [1995, pp. 68–78] found out that business owners who were motivated by the “pull” factors to enter into entrepreneurship were more successful in business and in their personal life in contrast with those who were influenced by the “push” factors.

The last direction of research concerning the motivation of women to establish their own firms involves an analysis of variables related to their family and the social environment. Within this context, apart from a combination of “pull” and “push” factors, females may also be influenced to become small business owners by taking advantage of an arising opportunity associated with a new idea, detecting a market niche or identifying a customer need [Orhan, 2005, pp. 7–8]. For instance, Mathieus and Moser [1996, pp. 29–43] in their research detected a correlation between the presence of role models in the family and interest in the establishment of their own small company by prospective women entrepreneurs. Their empirical data led the authors to conclude that the parental model influenced more men than women in starting their business.

The analysis of the impact of social environment on the motivation of women to enter into entrepreneurship should take into account the different societal expectations regarding the roles of men and women. Males are expected to be more career-oriented whereas females are supposed to be responsible for taking care of direct family needs, whether they are working or not. These social pressures impacting female career patterns may explain the findings revealed by extant studies. Moreover, they could also influence the type of business opportunities women experience which, in turn, motivate them to set up their own firms [Orhan, 2005, pp. 7–8]. For example, Hisrich and Brush [1984, pp. 32–37] in their study determined that most of the women business owners they investigated had professional or technical spouses who created a supportive family environment, which significantly influenced their decision to become self-employed.

Past research presented herein that examined female small business owners' undertakings pointed out that women were influenced to enter into entrepreneurship by a combination of "pull" and "push" motivational factors. However, "the ability to conceive of the possibility of becoming an entrepreneur may be grounded in [the] family background and household environment" [Orhan, 2005, p. 8].

Definitions of success and the examination of business success factors

In order to determine whether a small firm is successful in its operations, readers should be aware of how researchers and business owners understand this concept. Moreover, we ought to take into account the existing complexities in measuring this term. A straightforward dictionary definition of success can be rendered as accomplishing a "favorable or desired outcome" [Merriam-Webster, 2012]. The measurement of this notion is predominantly concentrated around economic accomplishments of firms rather than other non-monetary objectives a business owner may have had in mind while establishing their company. The non-financial measures of success in business, when compared with the financial indicators, are much more difficult to quantify by researchers. This is because these variables are more subjective and personal in nature.

However, some scholars argue that the focus on only financial indicators of success in studies of women entrepreneurs is regarded as an insufficient approach in gauging their performance [Fielden and Davidson, 2010, pp. 4–5]. For instance, Jennings and Beaver [1997, pp. 63–75] found out in their research that the economic benefits obtained by entrepreneurs were not as significant in running their business as such factors as "the desire for independence", "personal involvement", "responsibility" or achieving a "quality in life." These findings were supported by other studies conducted in developed countries. Fielden et al. [2000, p. 299–302] noted that while 88% of their respondents mentioned making money as a key motivating factor of owning a business, 71% reported other non-financial

reasons for becoming entrepreneurs. The most frequently cited non-financial variables were “higher levels of perceived job satisfaction”, “greater independence”, “increased flexibility”, “pursuing one’s own interest”, “creating opportunities” and “encountering new challenges”. These non-financial success factors are often reported in literature as lifestyle choices and comprise such items as “job satisfaction”, “autonomy” and “flexibility to balance work with family responsibilities” [Parasuraman et al., 1996, pp. 275–283].

The analysis of extant studies on entrepreneurship indicates that most scholars are not unanimous in their understanding of success in business while selecting adequate economic measures that attempt to quantify company performance in order to distinguish more accomplished firms from those with less favourable results. Moreover, many different indicators are applied in studies to examine and evaluate this concept [Van Praag, 2005, p. 6]. As a result, researchers have been using a variety of terms to describe success in business, such as performance, growth, profitability, excellence or survival [Robichaud et al., 2010, p. 40].

A meta-analysis by Van der Sluis et al. [2003] determined that 47% of studies that investigated business performance as a success measure defined this term with reference to the self-employment earnings of the entrepreneurs calculated on an annual, monthly, or hourly basis. The amount of income is usually expressed in local currency and presented as either a pre-tax or post-tax figure. This value is then introduced into statistical packages in a logarithmic or linear form. Moreover, Van der Sluis et al. [2003] found that 16% of scholars investigated inputs like employment level as an indicator of the size of the business or its growth, while another 15% looked at exit options or the survival of firms. Lastly, 14% of researchers examined other measures of success such as self-employment income as a share of total household income, a private benefit-cost ratio, the growth rate of profits, or a business diversification index [Van Praag, 2005, pp. 6–10]. The discussion presented in this paper shows that the academic community applies various approaches to define and quantify the success achieved by companies, and thus it is a daunting task to make reliable comparisons of the results presented by different researchers who study small business entrepreneurs across the world.

Some examples of indicators of success that are widely applied in scientific research on entrepreneurship have been provided by Van Praag [2005]. The scholar described four types of such measures, namely the number of personnel, business survival, the level of profits, and self-employment earnings. The variety of measurements used in extant studies shows the complexity and broadness of understanding by researchers of what constitutes success in business and how this concept could be operationalized in research designs [Van Praag, 2005, p. 6]. It should be also emphasized that the researchers have not yet reached a consensus with respect to the main factors (i.e. independent variables) that influence a selected business success outcome (i.e. performance, profitability, growth, or survival) in a study. However, several determinants have been identified and are empirically tested more often than others [Chu et al., 2010, p. 88].

Most scholars agree about the broad categories of variables that distinguish better performing firms from those ones that were less successful. However, past studies indicate that researchers are not unanimous on what combination of factors distinguishes a superior organization from an average one. The classification comprises of four broad categories of variables: demographic descriptors of entrepreneurs, their psychological characteristics, the skills of business owners, and contextual as well as environmental factors combined. All these general groupings of success determinants are applicable to both nascent companies and firms that have been in operation for many years [Robichaud et al., 2010, p. 40].

Within the first identified category, researchers list such variables as age of entrepreneur, educational achievements, prior managerial and business experience, family history relevant to self-employment, marital status of business owner, gender, and even rank in terms of birth among brothers and sisters [Robichaud et al., 2010, p. 40]. This set of determinants is by no means exhaustive but merely identifies factors that are cited most often in studies conducted within developed countries. We should also point out that some inquiries revealed associations between specific demographic variables and overall business success defined by scholars adopting a variety of designs (e.g. performance, growth, survival, etc.). For example, firm performance was found to be associated with self-employment experience [Dyke et al., 1992, pp. 79–81] and has been correlated with age of the entrepreneur [Zapalska et al., 2005, p. 37]. However, despite identification of relationships between some demographic variables and the business success of researched firms, scholars within the field are generally in agreement that these factors are not able to explain the complexity of entrepreneurship, and women self-employment in particular, as a scientific research phenomenon [Fielden and Davidson, 2010, pp. 4–7].

The psychological characteristics associated with small business owners refer to their personality traits, which concern the range of activities carried out within the firm during its normal operations. These factors are developed and applied within the company by entrepreneurs through the process of socialization and include family experiences, education, and work experience. As the different personality traits are acquired over time by the self-employed individual, they establish the business owner's behavioural intentions regarding the manner, in which the firm is being managed. Scholars in the field of entrepreneurship have identified several psychological characteristics of entrepreneurs. The most frequently reported personality traits in literature are "creativity and innovation", "the need for autonomy and independence", "the achievement need", "a tendency to take moderate or calculated risks", and "an internal locus of control" [Robichaud et al., 2010, p. 41]. On the other hand, other academic researchers such as Gartner [1989, pp. 63–64] suggested that the investigations into the psychological traits of business owners should be abandoned because they do not have such a significant explanatory power of business success in contrast with other category variables like entrepreneurial skills, described herein.

However, some scholars of entrepreneurship have managed to identify meaningful associations between specific personality traits of small business owners and a defined business success outcome. The study carried out by Box et al. [1993, pp. 34–41] is an example of such an investigation, in which the researchers found a link between an internal locus of control (i.e. the independent factor) and business performance (i.e. the dependent variable). This specific psychological characteristic of business success was also found by the academic community to be connected with an inclination to seek advice from other persons such as associates or employees [Licata et al., 1986, pp. 113–116], or with a more frequent, and intense use of formalized management practices within the company [McGraw and Robichaud, 1995, pp. 79–97].

The third category of business success determinants, which has been investigated by the researchers since the early 1990s, concerns the skills of entrepreneurs. These variables are regarded by the scholars as very dynamic and experiential by nature because they can be learned before or during the course of self-employment. Moreover, these success factors are discerned from the two previously presented categories (i.e. psychological and demographic variables) because they can be modified by the individual when required to improve the effectiveness of the management of specific activities within the firm [Robichaud et al., 2010, pp. 41–42].

In their study of Israeli women entrepreneurs, Lerner et al. [1997, pp. 327–335] established that apart from the demographic category variables (e.g. level of education, previous business and occupational experience), the determinants comprising the skills of the entrepreneurs group are one of the most significant factors that impact firm performance of female-owned companies. The scholars determined that in order to perform well in business female entrepreneurs should “gain related industry experience”, “develop business skills” and “seek to achieve success.” Moreover, the researchers identified five theoretical categories of variables that influence business performance, which are: “individual motivations and goals”, “social learning”, “network affiliation”, “human capital” and “environmental influences.” In their classification, the factors that describe the entrepreneurial skills were included within the human capital group.

Several studies that investigated the skills category of factors have identified the existence of some gender-related differences, especially with regard to financial skills and human resources management. For instance, Hisrich and Brush [1984, pp. 32–37] found that, compared with male entrepreneurs, female business-owners lacked sufficient business training and displayed lower abilities related to financing issues of the firm. However, women applied more interpersonal skills in the management of their own companies than men.

The fourth category of business success variables includes contextual and environmental factors, which can be divided into two sub-types: the immediate environment and the external environment. The first sub-category comprises such factors as “business

networks”, “work-family balance” and “access to capital”. The second sub-category includes the following variables: “competitiveness”, “structure”, “technology” and “support from government” [Robichaud et al., 2010, p. 42].

The studies conducted by McGregor and Tweed [2001, pp. 425–436] enabled scholars to identify a relationship between performance as a success outcome and the use of business networks by women entrepreneurs. Subsequently, Langowitz and Minniti [2007, pp. 349–357] determined in their investigation of female-run firms that women who knew other entrepreneurs were influenced by them to that extent that they were more inclined to establish and operate their own companies. In a more recent research, Robichaud et al. [2010, pp. 49–50] showed that the most important business success factors reported by Canadian businesswomen were “reputation for honesty” (i.e. the perceived quality of the firm and its offering), “good customer service”, “hard work” (i.e. the dedication of the owners in their undertaking), and “friendliness and charisma” (i.e. concerning customer service). To the surprise of the scholars, the variable “access to capital” was not regarded by the respondents as an important determinant of business success. This was explained that most women entrepreneurs relied on internal sources of funding instead of external financing (e.g. bank loans, outside investors, etc.).

Barriers and constraints faced by women small business owners

The establishment and successful management of a new company requires incurring significant risk and the exertion of a considerable amount of effort on the part of an entrepreneur, irrespective of whether they are experienced in such an undertaking or are a novice. The prospective business owner launches the firm from its very foundations by developing creative ideas or seizing upon emerging opportunities. This often occurs without much advance preparation or the achievement of a competitive advantage in the market. In this process, the entrepreneur assumes all the managerial responsibilities in order to grow the company into a mature and prosperous establishment, reaping the rewards of ownership, but also at the same time assuming all the risks of failure if something goes wrong. The risk of starting and operating a new venture can even be higher in the case of female small business owners who must bear all the obstacles encountered by men but also face additional problems arising from functioning in a traditionally male-dominated environment.

Women entrepreneurs must face many challenges during the time they are making a decision to establish their own company and while they are managing an already existing firm at different stages of the company life cycle. An examination of past studies into various barriers with which females must deal in developed countries revealed that many researchers highlighted a small number of key factors that either led to failure or hindered the growth of a business. The most frequently cited constraints by the

scholars were as follows: difficulties in access to funds or capital, the lack of business experience or professional training to manage the company, as well as the need for ongoing mentoring and counsel on different aspects of running the enterprise [Still, 2005, pp. 57–62].

For example, Hisrich and Brush [1984, p. 36], in their research of American women entrepreneurs, classified these problems into those experienced at company start-up and those encountered while operating the business. The first category constituted such variables as “lack of business training”, “obtaining lines of credit”, “lack of financial planning experience”, “lack of guidance and counsel”, “weak collateral position” and “lack of management experience”. The main second type factors affecting female-run businesses were identified as “lack of experience in financial planning”, “attracting business”, “cash flow”, “hiring and organization” and “demands of company affecting personal relationships”.

Some scholars from developed countries indicated that in addition to the barriers encountered by all entrepreneurs, self-employed women must also deal with various obstacles that do not usually affect males. For instance, Belcourt et al. [1991], who investigated Canadian female business owners, have identified a lengthy list of such hurdles, which businesswomen must face in managing their firms. The researchers reported such obstacles as discrimination by suppliers, lenders and customers; operation in sectors with low profitability; inadequate professional experience and management training; shortage of support networks; limited time; lack of time and money to attend specialist training courses; business management and family responsibilities conflicts; insufficient support from husbands, and weak financial return on invested capital in the company [Robichaud et al., 2010, p. 42]. A more recently published research report in Canada by the Prime Minister’s Task Force on Women Entrepreneurs [2003] revealed that many similar obstacles still prevailed among entrepreneurs despite an increased growth in numbers of these firms and a more sophisticated use of technology by women-run enterprises [Canada, 2003, pp. 7–24].

The findings presented by scholars from developed countries often mention that financing problems are listed at the top of constraints reported by female entrepreneurs [Gundry et al., 2002, pp. 72–73]. An example of such an investigation is a study conducted by Morris et al. [2006, p. 233] who determined that some of the most important barriers in starting their own company, as reported by business women, were associated with funding the venture. They listed such key factors as attracting potential investors, obtaining a commercial credit facility or acquiring a personal bank loan.

In a more recent study, Robichaud et al. [2010, pp. 50–53], who examined Canadian female business owners, identified several important barriers, which self-employed women faced in managing their firms in the aftermath of the world financial crisis. The respondents reported such obstacles as: “weak economy”, “high business tax”, “unavailability of skilled labour”, as well as “too much government regulation [and] bureaucracy.”

Moreover, the scholars reported that obtaining financing (i.e. securing short and long-term funding for the company) was also mentioned by the respondents as a major obstacle in managing own companies.

The authors who investigated women small business owners within emerging and developing nations indicated that the problems faced by these entrepreneurs could be described as structural or contextual in nature. An example of such investigations has been provided by Lisowska [1996] and Agarwala [2010] who classified the major barriers encountered by self-employed females into three broad categories: socio-cultural, economic, and educational. The first group of obstacles relates to such variables as balancing full-time work with household responsibilities, confronting family opposition to women entrepreneurship, as well as dealing with public prejudice and gender bias. The second category of factors involves securing financing for the business, provision of suitable collateral means for loans, and lack of access to financing from banks resulting from gender discrimination. The last class of variables includes the following barriers: lower literacy rates among female business owners; limited access to educational programs and professional training; scarce availability of information about markets and innovative technology; no previous managerial experience, and restricted access to various assistance schemes [Lisowska, 1996, pp. 64–67; Agarwala, 2010, pp. 90–91].

Some interesting findings concerning the obstacles faced by small business owners were described by Chu et al. [2010] in their study of Chinese firms. The authors emphasized that entrepreneurs operating in emerging economies face additional barriers in comparison with those running their companies in developed countries. The authors mention three main groups of factors that adversely affect business owners in China. The first one deals with the issue that business owners must cope with more unstable and highly bureaucratic business environments. The second group relates to the laws which govern the operation of private businesses. Within this category, the authors mention the company registration issues and various aspects of the taxation system that tend to be complex and very difficult to understand for small business entrepreneurs, especially those without a business background such as females who are running their firms for the first time. The third group of factors that unfavorably impacts entrepreneurs concerns contract and property laws. They are often written in an incomprehensible legal language or inappropriately enforced. Apart from these main categories, the researchers also listed other constraints that usually affect business owners in developing countries. These barriers include undeveloped infrastructure, inadequate macroeconomic policies, limited access to capital, corruption, and a lack of managerial experience of business owners [Chu et al., 2010, pp. 89–90].

To help overcome the many obstacles mentioned here, experienced academic researchers provide relevant policy recommendations or legislative propositions to their governments aimed at encouraging entrepreneurs to establish new businesses, and

fostering the development of existing firms. An interesting initiative in this regard has been presented by the Global Entrepreneurship Monitor in a publication entitled: "2010 Women's report" [2011]. This report was specifically dedicated to research on female entrepreneurial undertakings in the world. Several policy recommendations were proposed to serve as general guidelines for decision makers in their respective countries. Firstly, effective policies designated for the economic development of female-run firms must promote the creation of suitable business environments, in which women perceive self-employment as a viable career path that is attractive. Secondly, the decision-makers should encourage positive societal attitudes towards women's engagement in entrepreneurial endeavors. These programs must be structured to shape favorable perceptions about female managerial capabilities and their involvement in business. Thirdly, national authorities should provide adequate assistance to start-ups established by women through the supply of business opportunities and resources (e.g. easy access to various sources of funding, the possibility of networking, availability of new technology, etc.). Fourthly, the policy-makers should foster women-run companies by providing required technical assistance and suitable educational programs. Lastly, these policies must also take into account the existing diversity among various groups of businesses, including gender differences, with regard to such issues as motivations; attitudes and approaches to establishment of own firms; impact on regional social communities; the prospects for growth, and internationalization [Kelly et al., 2011, p. 44].

Conclusion and recommendations

Women entrepreneurship may be considered as a recent development that gained recognition within the scientific community during the 1980s, initially within developed countries. This article attempts to provide the readers with an overview of some of the most influential research papers on female business owners by examining the motivations to set up own firms; factors associated with the success of the venture; the barriers encountered during the establishment of the company, as well as in the process of managing the firm.

It has been demonstrated that there is no one complete list of motivational factors that encourage women to establish their own business. Thus, females are influenced by a combination of variables to enter into entrepreneurship. These factors depend on the profile of a particular person and differ across countries, as well as cultures. Moreover, the readers were exposed to a rather complex nature of the interactions associated with the motivation-related factors that drive women into self-employment and business performance, as well as the various approaches adopted by researchers in their studies of this notion.

The article revealed that researchers in the field classified the majority of motivational variables into a dualistic system of “push” and “pull” broad categories. Women motivated by “push” factors were driven to self-employment out of necessity because of job dissatisfaction, difficulty in finding employment, low family income, or the necessity to balance work obligations with family responsibilities. In turn, females drawn into self-employment by the “pull” factors are those who seek independence in being ones’ own boss or desire for self-achievement, anticipating prospective financial rewards as a result of running successful business ventures.

However, it should be emphasized that the extant research of motivational factors influencing female self-employment suffers from several limitations. For instance, mostly quantitative instruments were used in the literature that was investigated, and many questionnaires were developed drawing from earlier studies, which examined firms owned by male entrepreneurs. Moreover, the researchers were unable to provide convincing empirical evidence in their findings between “push” and “pull” motivational factors and their link with performance of women-owned firms. Another limitation cited by Orhan [2005, pp. 8–9] notes that researchers usually asked the respondents in surveys “to describe their own perceptions of reality”. As a result, the reported over-confidence or excessive optimism could lead to bias in the evaluation of firm performance. Therefore, it is recommended that future studies deploy in their research designs qualitative methods (e.g. in-depth interviews, direct observation, case studies, focus groups, etc.), which could provide more insights and uncover new issues, or linkages to the motivational variables of female-run small enterprises. These investigations should lead to the enrichment of existing research concerning female entrepreneurial undertakings, or even the development of novel theories.

The differentiation between more accomplished female-run firms and those achieving less favorable results is described by the researchers by adopting mainly monetary measures of success in business. Non-financial indicators are much more difficult to quantify and provide more subjective findings. As a result, scholars have been predominantly using various economic measurements in their studies to evaluate the overall success in business of women entrepreneurs, such as performance, growth, profitability, survival, or excellence. However, it could be argued that application of only financial measures in the evaluation of this dimension is an insufficient approach to gauging the accomplishments of female-run enterprises. This is because these economic indicators cannot fully capture all the complexities of the research phenomenon. Although self-employed women are not a homogeneous group, recent studies show that they tend to define and perceive business success differently than their male counterparts. Therefore, future investigations into this area could adopt qualitative or mixed designs to uncover what non-financial success outcome variables are important for female business-owners in the context of specific geographical regions, or cultures in which these enterprises operate.

The article also reveals that most researchers generally agree on the broad categories of determinants (i.e. the influencing variables), which distinguish more successful female-run firms from those less accomplished. This classification comprises demographic descriptors, psychological characteristics, managerial skills, as well as environmental and contextual factors. However, extant studies indicate that scholars are not unanimous on the combination of variables, which contribute towards the success in business of women-owned enterprises as evaluated by various financial indicators.

In order to more fully understand what specific factors influence the favorable performance of female-run firms, Fielden and Davidson [2010, pp. 5–7] recommend that researchers should attempt to identify and examine variables at individual, managerial team, group, local community, and societal levels of analysis in future investigations of this phenomenon. These studies could deploy qualitative methods and research designs to discover new perspectives of female self-employment within the global context, considering cultural, religious and legal barriers that hinder women entrepreneurship development in various countries. Moreover, scholars may explore the impact of the entrepreneurial ethics dimension on organizational behavior and its performance. Such investigations could demonstrate whether there are any dissimilar approaches deployed by male and female business owners, within specific cultural settings, pertaining to the application of ethical standards in managing their firms.

In this article, it has been demonstrated that female small business owners around the world face many similar obstacles in the process of setting up and successful operation of their respective firms even though the context, as well as the external business environment in which these women manage their companies may differ. The main barriers to self-employment may be broadly grouped into social-cultural traditions and values; financial factors; managerial skills and business experience; participation in professional networks; conflicts between home and work responsibilities; macro-economic and legal context, as well as government support variables. Some scholars even argue that women entrepreneurs face more challenges in setting up new firms and managing existing businesses. This is because they enter the domain of a traditionally and historically male-dominated environment.

As a result, future research projects in this area may adopt qualitative methods in research designs (e.g. in-depth interviews, direct observation, case studies, focus groups, etc.), which could identify novel categories of factors that inhibit the establishment of women-run firms and the growth of existing enterprises within specific contexts, or various geographical regions. Moreover, prospective studies on barriers in business could focus on the comparison of male and female-owned small companies and investigate whether there are any statistically significant differences.

In order to overcome the barriers experienced by women in entering self-employment and management of existing enterprises, scholars provide many policy recommendations addressed to decision-makers at country or international level. These are aimed

at creation of a favorable business environment and the supply of adequate government support to encourage females in establishment of new firms and fostering the development of mature enterprises.

To accomplish the stated objectives, policy-makers need to bring about and implement laws that emphasize the building of positive societal attitudes towards entrepreneurship in general, and specifically promote women self-employment, in both developed as well as emerging economies. Moreover, governments should provide the necessary support to women business start-ups by creating favorable opportunities and business environment. They should also assist these enterprises in making the required resources available when needed (e.g. stability of funding programs, access to professional networks, accessibility to new technology, etc.). Finally, authorities can foster the growth of women small business enterprises by supplying these entrepreneurs with technical assistance and professional education that meet their long-term needs. Thus, the countries that more pro-actively support the establishment of new businesses and promote the growth of mature firms within their societies usually experience higher growth rates and lower unemployment rates in the long run as these businesses develop and create more jobs in the economy [Kelly et al., 2011, pp. 8–9].

In conclusion, readers should also bear in mind that the reported growth in the numbers of female small business owners and entrepreneurs around the world since the early 1970s should be viewed as a dynamic social and economic phenomenon that contributes towards the development of individual nations as well as the whole world economy. Therefore, women self-employment as an object of scientific enquiries requires the revision of existing theories and propositions, presented in extant literature, in the light of novel findings discovered by the academic community within the more globalized world economy. This can be achieved by seeking new directions in future investigations of female-run firms, which more fully capture its rather complex nature, emerging dimensions and perspectives.

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